

Presented by: Colin Shea
Presented on: August 2023

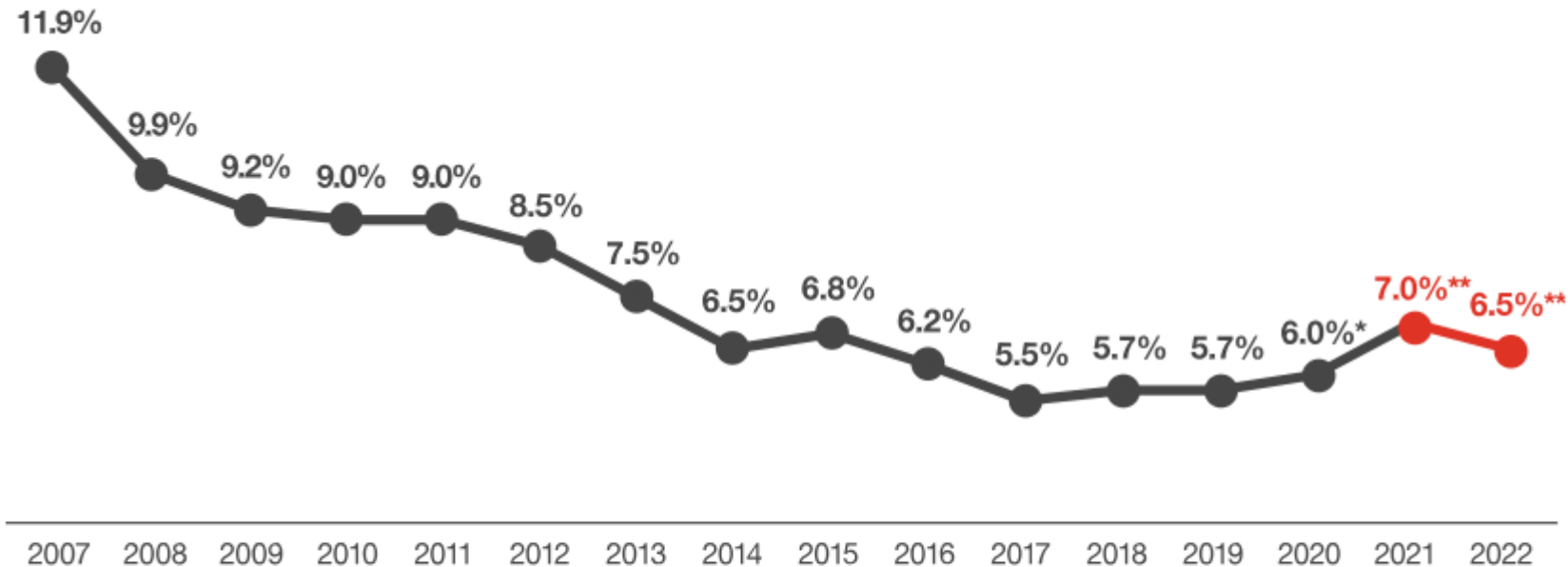


GILSBAR



**COST DRIVERS, BENEFIT TRENDS & CHANGES
IN HEALTHCARE**

PwC's medical cost trend



Source: PwC Health Research Institute medical cost trends, 2007-22

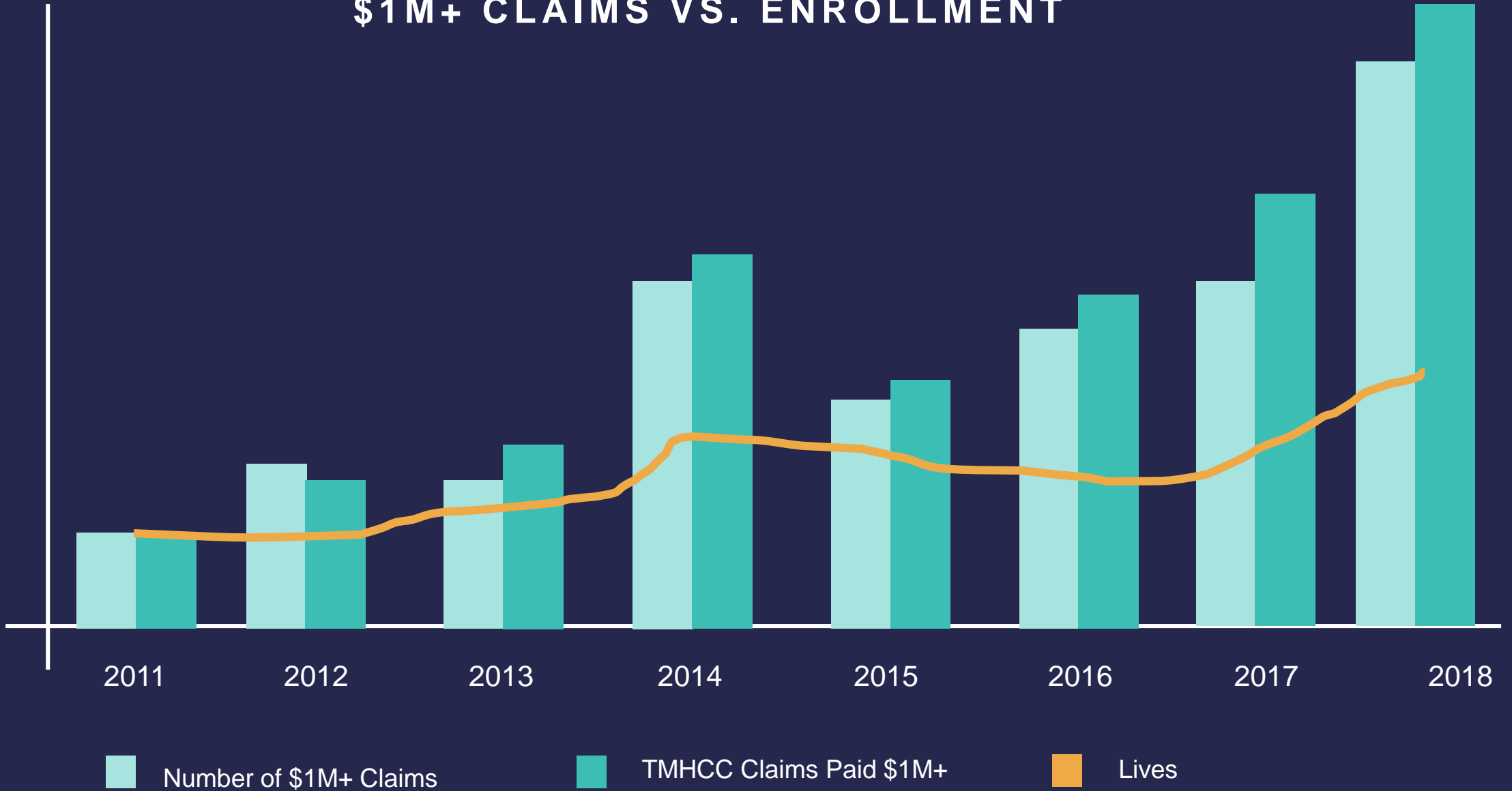
*Projected medical cost trend. Does not account for the effects of the pandemic on actual 2020 spending.

**Growth in spending expected over prior-year spending, with the effects of the pandemic removed from the prior-year spending. See report Appendix for details.

Note: The 7% medical cost trend for 2021 was revised from a range of scenarios, from 4% to 10%, originally projected in PwC Health Research Institute's "Medical Cost Trend: Behind the Numbers 2021" report in June 2020. See report Appendix for details.



PERCENTAGE INCREASE OF NO. AND AMOUNT OF \$1M+ CLAIMS VS. ENROLLMENT



ONCE-WEEKLY
OZEMPIC[®]
semaglutide injection 0.5mg, 1mg, 2mg

ONCE - WEEKLY
wegovy[®]
semaglutide injection **2.4 mg**

once weekly 
mounjaro[®]
(tirzepatide) injection 0.5 mL
2.5 mg | 5 mg | 7.5 mg | 10 mg | 12.5 mg | 15 mg



Drug	Annual Cost
Zolgensma	\$2,125,000
Carbaglu	\$1,598,822
Procysbi	\$1,085,160
Zokinvy	\$1,032,480
Danyelza	\$977,664
Myalept	\$889,904
Luxturna	\$850,000
Foloty	\$817,865
Amondys 45, Vyondys 53, Exondys 51	\$748,800
Brineura	\$730,340





- ▶ Rx
- ▶ Place of Service Benefit Tiering
- ▶ Reference Based Pricing
- ▶ Center of Excellence/Bundled Surgery/Domestic Tourism
- ▶ Mental Health
- ▶ Telemedicine



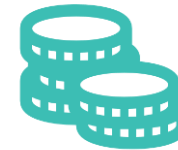
Ambulatory Surgery
Centers



Freestanding
Labs




Imaging



Cost & Quality
Steerage
(UHC's Bind)



Get away from
the hospital.

 CREATIVE BENEFIT CONSULTANTS	Plan 1		
	TIER 1 (AIMM Preferred Programs)	TIER 2 (Standard Benefits)	TIER 3 (Non-Preferred Providers)
DEDUCTIBLE	\$0 Single / \$0 Family <i>(embedded deductible)</i>	\$2,000 Single / \$4,000 Family <i>(embedded deductible)</i>	\$4,000 Single / \$8,000 Family <i>(embedded deductible)</i>
BPA BestLife Wellness Program	Deductible Credits Available Based on Member Participation	Deductible Credits Available Based on Member Participation	Deductible Credits Available Based on Member Participation
CO-INSURANCE	0%	80%	50%
CO-INSURANCE MAXIMUM	\$0 Single / \$0 Family	\$2,500 Single / \$5,000 Family	\$2,500 Single / \$5,000 Family
OUT-OF-POCKET LIMIT (all inclusive)	\$2,700 Single / \$5,400 Family	\$4,500 Single / \$9,000 Family	\$6,500 Single / \$13,000 Family
PREVENTIVE SERVICES	100%	100%	100%
PHYSICIAN SERVICES	Office visit benefit includes all services provided during visit except lab		
- Primary Care Office Visit	\$5 Copay	\$30 Copay	Deductible / Co-insurance
- Specialist Office Visit	\$30 Copay	\$50 Copay	Deductible / Co-insurance
TELEPHONIC PHYSICIAN CONSULTATIONS	\$0 Copay	\$0 Copay	\$0 Copay
OUTPATIENT LAB	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
OUTPATIENT RADIOLOGY AND IMAGING	Pre-certification required prior to scheduling for MRI, CT, PET and Nuclear Imaging		
- Physician Office / Freestanding Imaging Ctr.	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
- Hospital Outpatient	100% if preferred vendor	\$250 Copay, then Deductible / Co-insurance	\$500 Copay, then Deductible / Co-insurance
DIABETIC SUPPLIES	100% if preferred vendor	50% through Rx Benefit	50% through Rx Benefit
OUTPATIENT REHAB & THERAPY	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
EMERGENCY SERVICES	ER Copay waived if admitted		
- Hospital ER (Facility Charge Only)	\$500 Copay, then Deductible / Co-insurance	\$500 Copay, then Deductible / Co-insurance	\$500 Copay, then Deductible / Co-insurance
- Urgent Care / ER Professional Services	\$50 Copay	\$50 Copay	\$50 Copay
OUTPATIENT SURGICAL PROCEDURES	Pre-certification required prior to scheduling,		
- Physician Office / Freestanding Surgery Ctr.	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
- Hospital Outpatient	100% if preferred vendor	\$500 Copay per visit, then Deductible / Co-insurance	\$1,000 Copay per visit, then Deductible / Co-insurance
INPATIENT HOSPITALIZATION	All non-emergency confinements must be pre-certified. Report emergency confinements within 48 hrs of when confinement begins		
- Medical Facility Services	100% if preferred vendor	\$500 Copay per confinement, then Ded / Coin	\$1000 Copay per confinement, then Ded / Coin
INPATIENT SURGICAL PROCEDURES	100% if preferred vendor	\$500 Copay per confinement, then Ded / Coin	\$1000 Copay per confinement, then Ded / Coin
HOME HEALTH, SKILLED NURSING & HOSPICE CARE	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
MENTAL HEALTH & SUBSTANCE ABUSE	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
DURABLE MEDICAL EQUIPMENT	100% if preferred vendor	Deductible / Co-insurance	Deductible / Co-insurance
PRESCRIPTION DRUG BENEFITS	Refer to Preferred Formulary and SPD for additional details		
- Generic	\$5 Copay (Mail Order \$12.50/90 day)	\$5 Copay (Mail Order \$12.50/90 day)	Not Covered
- Brand	\$50 Copay (Mail Order \$125/90 day)	\$50 Copay (Mail Order \$125/90 day)	Not Covered
Non-Preferred Brand	\$80 Copay (Mail Order \$200/90)	\$80 Copay (Mail Order \$200/90)	Not Covered
Specialty Drugs	50% (must utilize ShaRx Programs)	50% (must utilize ShaRx Programs)	Not Covered
- International Mail Order - Brand	\$0 Copay if preferred vendor (voluntary participation)	\$0 Copay if preferred vendor (voluntary participation)	Not Covered

Please refer to your Summary Plan Document (SPD) for the actual benefit, limitations and exclusions. If there is any inconsistency between this outline and the SPD, the SPD shall govern.



KEMPTON PREMIER PROVIDERS / DOMESTIC TOURISM

Procedure	Premier Provider	Billed Amount by Other Provider(s)	Amount After PPO Discount	Difference	% of Difference
Repair Hernia	\$3,190	\$19,384	\$14,974	\$11,784	78.7%
Carpal Tunnel	\$2,750	\$11,143	\$7,763	\$5,013	64.6%
Arthroscopic Knee Surgery	\$3,740	\$14,977	\$7,431	\$3,691	49.7%
Bilateral/Multiple Joint Knee Replacement	\$26,071.31	\$205,444.44	\$154,083.33	\$128,012.02	83.1%
Spinal Fusion	\$56,595.72	\$192,622.94	\$163,729.52	\$107,133.80	65.4%
Laparoscopic Hysterectomy	\$11,500	\$51,609.90	\$40,109.90	\$28,609.90	71.3%
Open Treatment of Distal Fibular Fracture	\$8,704.14	\$32,599.13	\$23,894.99	\$15,190.85	63.6%
Total Thyroid Lobectomy, Unilateral	\$6,160	\$24,691.89	\$18,531.89	\$12,371.89	66.8%
Adenoidectomy	\$3,300	\$14,991.19	\$11,691.19	\$8,391.19	71.8%
Repair Arm Tendon/Muscle	\$4,950	\$37,472.51	\$32,522.51	\$27,572.51	84.8%
Major Joint Replacement Lower Extremity	\$19,400	\$93,905.99	\$74,505.99	\$55,105.99	74%
Vascular Procedure with Comorbidity	\$19,987.48	\$82,724.41	\$65,736.93	\$48,749.45	74.2%
Totals:	\$163,348.65	\$781,566.40	\$614,974.25	\$451,625.60	73.4%



CoE program addressing “Misdiagnosis, over-utilization, sub-optimal treatment and overpricing”

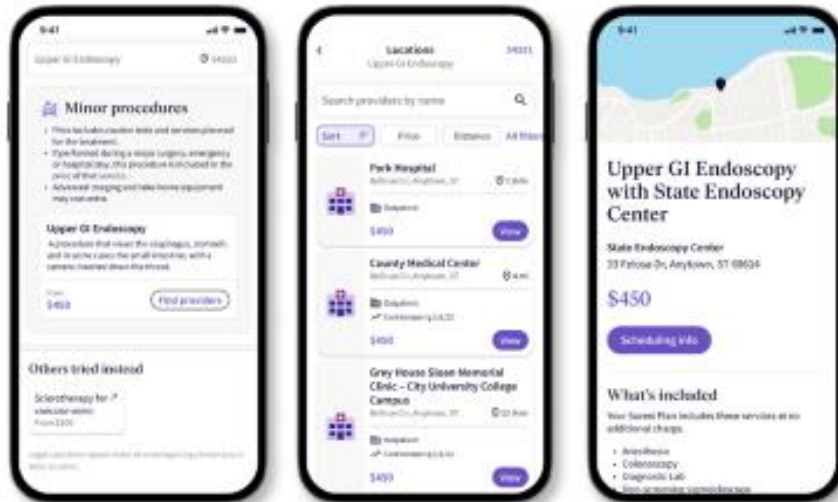
Spine, Orthopedic, Joint, Cancer, Heart, Transplant, Bariatric, Addiction

surestTM

A UnitedHealthcare Company

Cut costs, not benefits, and deliver more value to employees

A plan designed to help members save based on choice, clarity, experience



Clear costs, no deductible
Find opportunities to save.



**46% lower out-of-pocket
spend per employee.¹**



**14% lower total allowed PMPM,
allowed medical and pharmacy
per member, per month costs.²**

Commercial Case Price Variation among High-Volume Inpatient Treatments in Minnesota Hospitals (Part 2)

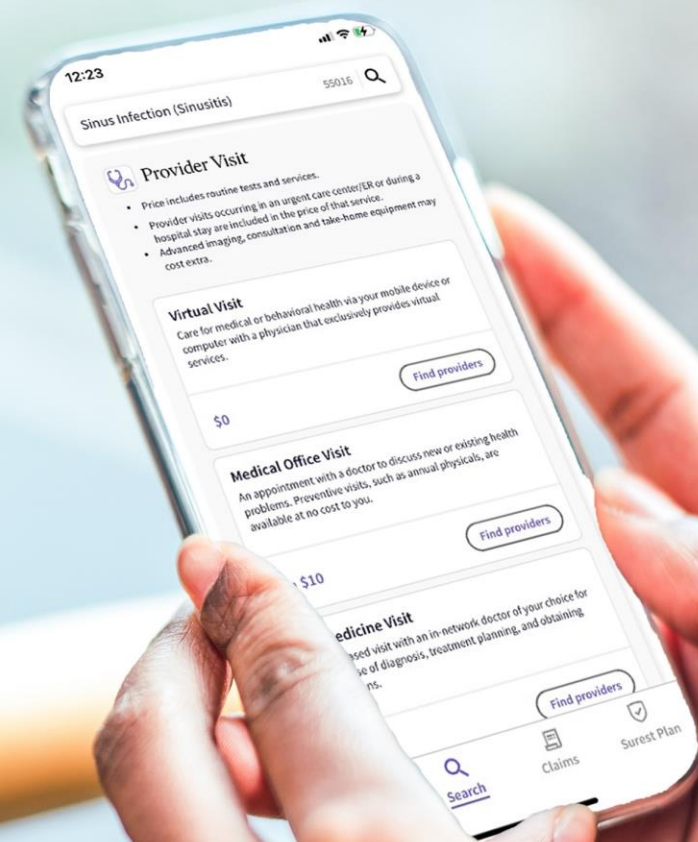
JULY 2014 - JUNE 2015

This report examines variation in the case prices for four common, clinically uncomplicated inpatient surgeries. The prices reported here reflect allowed amounts – the actual payments made by patients and insurers to health care providers – and include the facility and professional fees incurred during each admission. The graphs show variation in prices from three perspectives: statewide, between different hospitals, and within the same hospital. Only admissions of minor or moderate severity of illness are included, and cases with high or low outlier prices were assigned the prices at the 97.5 or 2.5 percentile, respectively. Hospital names are not reported, in accordance with Minnesota state law governing use of data submitted to the Minnesota All Payer Claims Database (MN APCD).

SPINAL FUSION SURGERY	AVERAGE PRICE	LOWER PRICE	HIGHER PRICE	HIGH-LOW RATIO	PRICE RANGE AND AVERAGE CASE PRICE ()
Hospital with Highest Average Price	\$58,770	\$27,585	\$80,797	2.9x	
2nd Highest	\$49,622	\$12,326	\$80,518	6.5x	
3rd Highest	\$43,446	\$25,871	\$80,797	3.1x	
Statewide Average Price	\$36,433	\$12,326	\$80,797	6.6x	
3rd Lowest	\$30,489	\$12,326	\$54,689	4.4x	
2nd Lowest	\$29,863	\$12,326	\$56,057	4.5x	
Hospital with Lowest Average Price	\$26,803	\$13,202	\$42,085	3.2x	

How Surest delivers results

Savings opportunities: Prices are lower for higher-value options, based on quality and overall effectiveness of care.



Why plan design matters, a cost breakdown

Plan design		
Deductible \$2,000	Coinsurance 80%	Max out-of-pocket \$4,000

Hospital 1		Hospital 2	
Total allowed claim cost	\$12,326	Total allowed claim cost	\$80,797
Member responsibility	Plan paid	Member responsibility	Plan paid
Deductible	\$2,000	\$2,000	\$76,797
Coinsurance	\$2,000	\$2,000	
Max out-of-pocket	\$4,000	\$4,000	
		\$68,471	
		difference in plan paid	

Why plan design matters, a cost breakdown

Plan design				
Surest				
	Hospital 1		Hospital 2	
	Total allowed claim cost	\$12,326	Total allowed claim cost	\$80,797
	Member responsibility	Plan paid	Member responsibility	Plan paid
Copay	\$500	\$11,826	\$2,500	\$78,297
Max out-of-pocket	\$5,000		\$5,000	
			\$66,471	
			difference in plan paid	

With Surest, members are more inclined to use hospital 1 because they want to save \$2,000.

The Surest plan is as easy as 1-2-3

1

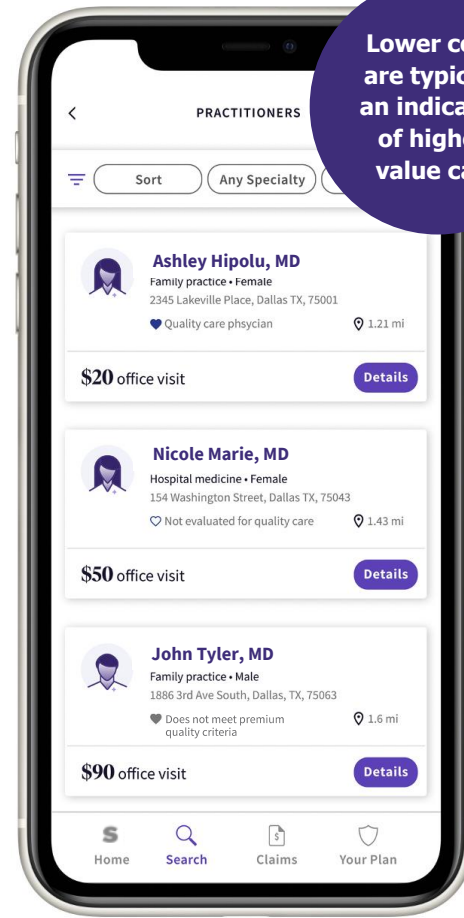
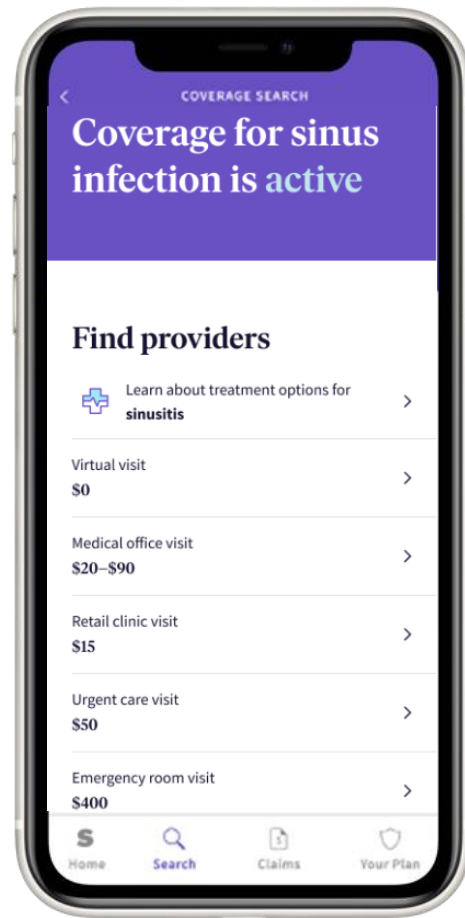
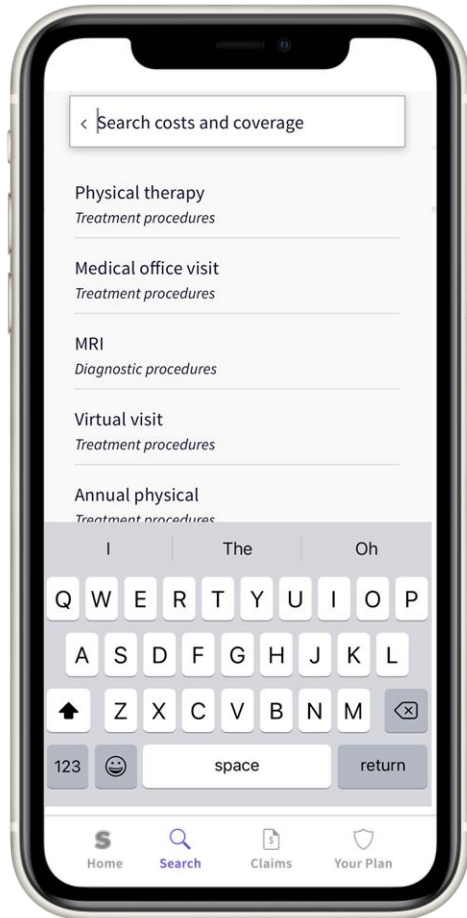
Members search the Surest app or website to find cost and coverage answers.

2

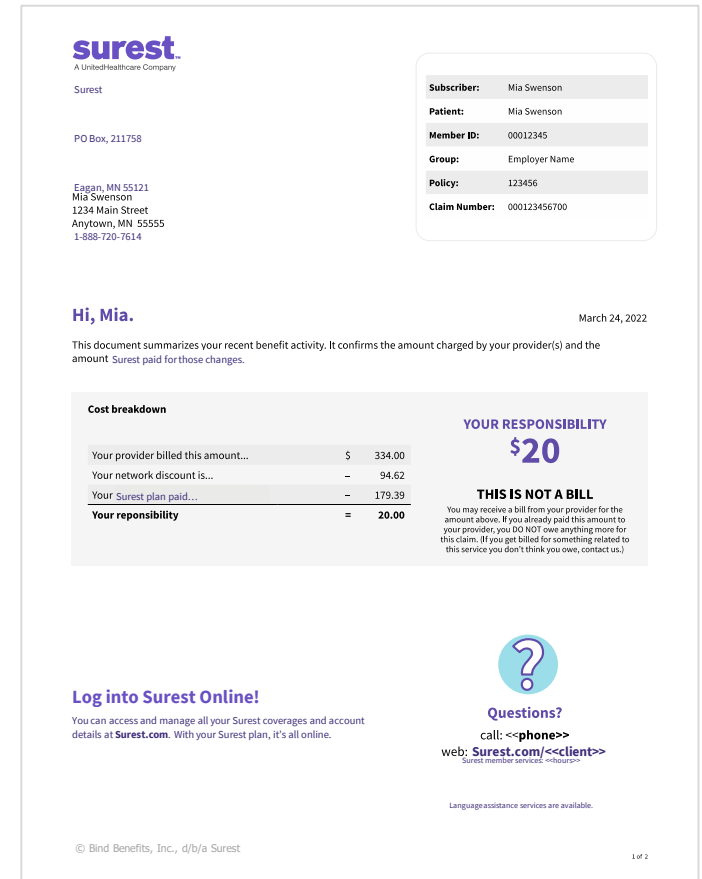
Members can check prices and compare treatment options on the app or website.

3

Prices can be grouped together so members pay one price for basic labs, X-rays and health services during a single visit.



Lower costs are typically an indication of higher-value care



Price shopping for health care: The existing plan vs. the Surest plan

	Current plan: Cigna	Surest A4000
Deductible	\$2,000	--
Coinsurance	80/20 coinsurance	--
OOPM	\$4,000	\$4,000
Office visit	deductible and coinsurance	\$5 - \$40
Maternity delivery	deductible and coinsurance	\$350 - \$1,025
Physical therapy	deductible and coinsurance	\$5 - \$25
Urgent care	deductible and coinsurance	\$15
Emergency room	deductible and coinsurance	\$170
MRI	deductible and coinsurance	\$40 - \$280
Knee arthroscopy	deductible and coinsurance	\$300 - \$1,400
Single premium	\$750	\$771.54



**Premium savings
with the Surest
plan: +2.80%**

There's more to the equation than meets the eye

Features you get with Surest

-  \$0 deductible
-  No coinsurance
-  Out-of-pocket limit
-  Broad, national UnitedHealthcare Choice Plus network

 Having a baby

 Sinus Infection

 MRI

 Knee arthroscopy



Baby	\$900
Sinus Infection	\$100
MRI	\$100
Knee arthroscopy	\$1,265
Total	\$2,265

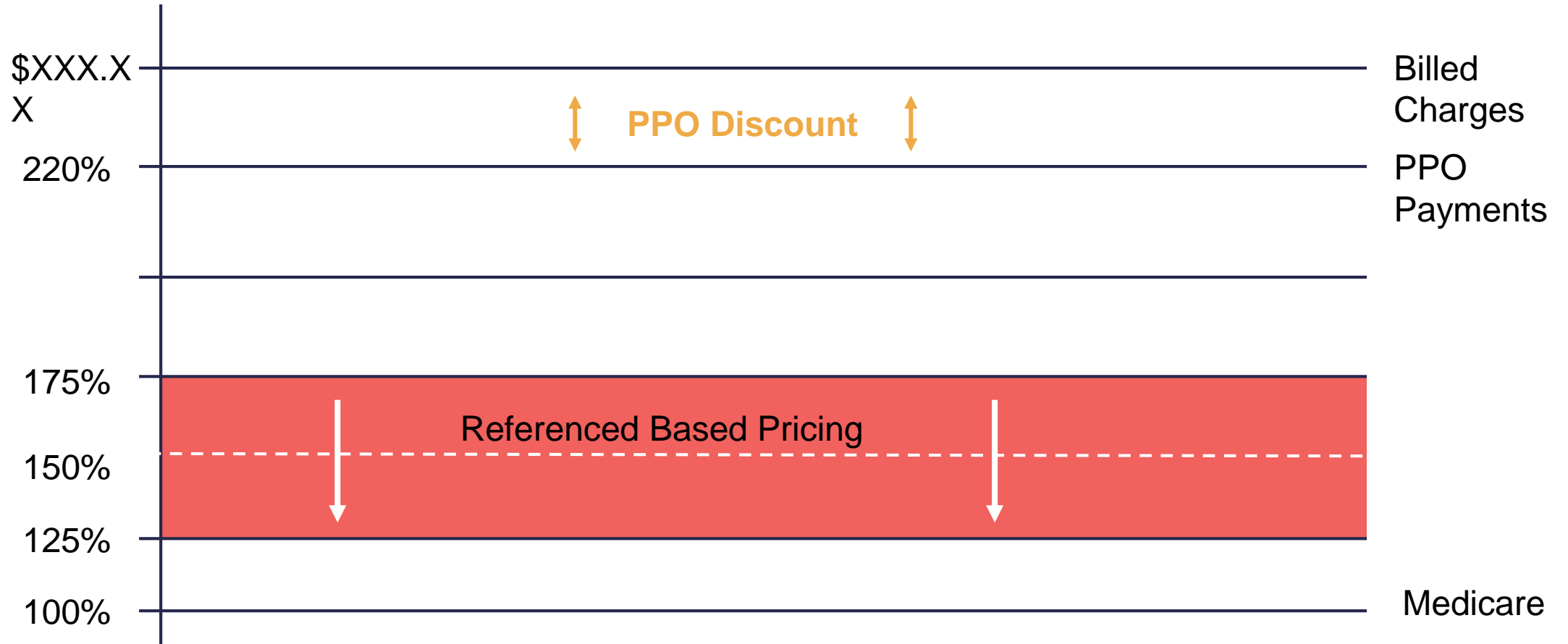
Price shopping for health care: The existing plan vs. the Surest plan

	Current plan: Cigna	Surest C5000
Deductible	\$2,000	--
Coinsurance	80/20 coinsurance	--
OOPM	\$4,000	\$5,000
Office visit	deductible and coinsurance	\$15 - \$100
Maternity delivery	deductible and coinsurance	\$900 - \$1,700
Physical therapy	deductible and coinsurance	\$10 - \$70
Urgent care	deductible and coinsurance	\$50
Emergency room	deductible and coinsurance	\$500
MRI	deductible and coinsurance	\$100 - \$725
Knee arthroscopy	deductible and coinsurance	\$1,250 - \$2,600
Single premium	\$750	\$663.05

**Premium savings
with the Surest
plan: -13.1%**



Baby	\$900
Sinus Infection	\$15
MRI	\$100
Knee arthroscopy	\$1,250
Total	\$2,265



CARROT





MENTAL HEALTH

Sleeper Claim

Covid-19 Effects

Presenteeism & Productivity

“Mental Health Day”

Stewardship Benefit



TELEMEDICINE

Acute Care

Virtual Primary Care

Behavioral/Mental Health

Dermatology

Caregiving

Nutrition

Sexual Health/Dysfunction & STD

Back Care

Treatment Decision

Support/Second Opinion

Telemedicine/Advocacy First
Models



**BlueCross.
BlueShield.**

Humana



♥ aetna



ProCare Rx

- Select & Non-Select Pharmacy
- 90-day Fill
- Formulary
- Service

Personal Importation (International)

Commonly Prescribed Personal Importation Medications		
Drug	Drug	Drug
Advair Inhaler	Flovent HFA	Silenor
Anoro Ellipta	Invokana	Spiriva Respimat
Apidra	Invokamet	Symbicort
Apidra Solostar	ISENTRESS	Tivicay
Arnuity Ellipta	Janumet	Toujeo Solostar
Atripla	Janumet XR	Tradjenta
Basaglar Kwikpen	Januvia	Trelegly Ellipta
Biktarvy	Jardiance	Tresiba
Breo Ellipta	Juluca	Trintellix
Combivent Respimat	Levemir Flextouch	Trulicity
Descovy	Omnaris	Victoza
Dulera	Ozempic	Xarelto
Eliquis	Prezcobix	
Entresto	Qvar	
Farxiga	Rexulti	
Fiasp	Rybelsus	

Specialty

Commonly Prescribed Specialty Medications		
Drug	Drug	Drug
Actemra	Humira CF	Taltz
Adempas	Ibrance	Tobi Podhaler
Afinitor	Kuvan	Tyvaso
Aubagio	Norditropin AQ	Vumerity
Avonex	Orencia	Xeljanz
Benlysta	Otezla	Xeljanz XR
Cimzia	Pulmozyme	Xolair
Cosentyx	Rebif	Xtandi
Dupilixent	Revlimid	Zelboraf
Enbrel	Rinvoq	
Envarsus XR	Skyrizi	
Firazyr	Sprycel	
Gilenya	Strensiq	
Haegarda	Sutent	
Humira	Tagrisso	



- ▶ PBM carveout
- ▶ Organ Transplant carveout
- ▶ Joint / MSK carveout
- ▶ Medical bill review
- ▶ Dependent audits
- ▶ Medical tourism
- ▶ Centers of Excellence
- ▶ Reference Based Pricing
- ▶ Onsite clinics
- ▶ Direct contracting
- ▶ PBM audit
- ▶ Subrogation
- ▶ Cancer concierge
- ▶ Specialty RX
- ▶ Plan doc review
- ▶ Plan design review

How does it work?

Nonstop Health wraps around your health insurance plan, giving you a preloaded Nonstop Visa card to help pay for covered services and prescriptions received at carrier-approved providers and facilities.



1 Present your **CARRIER CARD** to the front desk so they can apply service costs to your deductible and/or out-of-pocket maximum.



2 Pay for covered services and prescriptions with your **NONSTOP HEALTH VISA CARD**



3 If/when you receive a bill with a remaining balance, pay for those expenses with your **NONSTOP HEALTH VISA CARD**
(note: an Explanation of Benefits (EOB) is not a bill)

NSH \$0 Backend Exposure

	Premium	Reserve	Admin	Nonstop Health	Broker	Total
EE	\$533	\$146	\$20	\$40	\$10	\$750
ES	\$1,067	\$313	\$20	\$40	\$10	\$1,450
EC	\$987	\$293	\$20	\$40	\$10	\$1,350
F	\$1,520	\$534	\$20	\$40	\$10	\$2,125

Nonstop Preliminary Analysis - Cypress Point Surgical Hospital - BCBS - GroupCare Copay 100/80 \$6250 - 01/01/2023									
		Current Plans				Underlying Plan	Option 1	Option 2	Option 3
		HMO Copay 90 \$500 DED		GroupCare Copay 70/50 2500A		GroupCare Copay 100/80 \$6250	Nonstop \$0 Backend Exposure	Nonstop \$1,000 Backend Exposure	Nonstop \$2,000 Backend Exposure
Employee Only	69	\$817.38	35	\$710.09	34	\$533.54	\$750.00	\$739.02	\$724.37
Employee + Spouse	7	\$1,634.76	3	\$1,420.18	4	\$1,067.07	\$1,450.00	\$1,426.53	\$1,395.24
Employee + Child(ren)	7	\$1,512.15	3	\$1,313.67	4	\$987.04	\$1,350.00	\$1,328.03	\$1,298.73
Employee + Family	2	\$2,329.53	0	\$2,023.76	2	\$1,520.58	\$2,125.00	\$2,084.92	\$2,031.48
	85								
Monthly		\$77,175.01				-	\$75,600.00	\$74,443.81	\$72,902.23
Annual		\$926,100.12				-	\$907,200.00	\$893,325.77	\$874,826.80
Variance from Current		-				-	-\$18,900.12	-\$32,774.35	-\$51,273.32
% Variance from Current		-%				-%	-2.04%	-3.54%	-5.54%
Employee Out-of-Pocket Savings		N/A				N/A	\$77,003	\$63,129	\$44,630
		BCBS Coverage		BCBS Coverage		BCBS Coverage	Nonstop Coverage	Nonstop Coverage	Nonstop Coverage
Calendar Year Annual Deductible									
Individual		\$500		\$2,500		\$6,250			
Family		\$1,500		\$7,500		\$12,500			
Calendar Year Out-of-Pocket Maximum									
Individual		\$3,250		\$6,350		\$7,900			
Family		\$6,500		\$12,700		\$15,800			
Professional Services									
Primary Care Physician (PCP)		\$25 AD		\$40 AD		\$50 Copay	In-PPO Services Covered in full* up to: \$7,900 individual coverage \$15,800 family coverage	In-PPO Services Covered in full* up to: \$6,900 individual coverage \$13,800 family coverage	In-PPO Services Covered in full* up to: \$5,900 individual coverage \$11,800 family coverage
Specialist		\$40 AD		\$55 AD		\$60 Copay			
Preventive Care Exam		\$0		\$0		\$0			
Hospital Services									
Inpatient		10% Coinsurance AD		30% Coinsurance AD		0% Coinsurance AD	*\$100 ER Copay*	*\$100 ER Copay*	*\$100 ER Copay*
Emergency Room		\$350 AD		30% Coinsurance AD		\$350 Copay			
Prescription Drugs									
Generic brand		\$15 AD		\$7 AD		0% Coinsurance AD			
Preferred brand		\$40 AD		\$30 AD		20% Coinsurance AD			
Non-preferred brand		\$70 AD		\$70 AD		-			
Specialty		10% Coinsurance NTE \$150 AD		10% Coinsurance NTE \$150 AD		-			
Broker Fee	\$10.00	PEPM							
Load Included	None								
Alt Care Included	None	PEPM							
Plan Summary Illustrative, please see Carrier SBC									
Revised									

BCBS GroupCare Copay 100/80 \$6250						
NSH \$0 Backend Exposure						
Family Indicator	Premium	Reserve	Admin	NSH	Broker Fees	NSH Premium
Employee Only	\$533.54	\$146.46	\$20.00	\$40.00	\$10.00	\$750.00
Employee + Spouse	\$1,067.07	\$312.93	\$20.00	\$40.00	\$10.00	\$1,450.00
Employee + Child(ren)	\$987.04	\$292.96	\$20.00	\$40.00	\$10.00	\$1,350.00
Employee + Family	\$1,520.58	\$534.42	\$20.00	\$40.00	\$10.00	\$2,125.00
NSH \$1,000 Backend Exposure						
Family Indicator	Premium	Reserve	Admin	NSH	Broker Fees	NSH Premium
Employee Only	\$533.54	\$135.48	\$20.00	\$40.00	\$10.00	\$739.02
Employee + Spouse	\$1,067.07	\$289.46	\$20.00	\$40.00	\$10.00	\$1,426.53
Employee + Child(ren)	\$987.04	\$270.99	\$20.00	\$40.00	\$10.00	\$1,328.03
Employee + Family	\$1,520.58	\$494.34	\$20.00	\$40.00	\$10.00	\$2,084.92
NSH \$2,000 Backend Exposure						
Family Indicator	Premium	Reserve	Admin	NSH	Broker Fees	NSH Premium
Employee Only	\$533.54	\$120.83	\$20.00	\$40.00	\$10.00	\$724.37
Employee + Spouse	\$1,067.07	\$258.17	\$20.00	\$40.00	\$10.00	\$1,395.24
Employee + Child(ren)	\$987.04	\$241.69	\$20.00	\$40.00	\$10.00	\$1,298.73
Employee + Family	\$1,520.58	\$440.90	\$20.00	\$40.00	\$10.00	\$2,031.48

Nonstop BCBS Rate Comparison Roll Up - Cypress Point Surgical Hospital - 01/01/2023					
		NSH + BCBS			
		HMO Copay 90 \$500 DED	\$0 Backend Exposure PPO	\$1,000 Backend Exposure PPO	\$2,000 Backend Exposure PPO
	Enrollment	Current			
Employee Only	35	\$817.38	\$750.00	\$739.02	\$724.37
Employee + Spouse	3	\$1,634.76	\$1,450.00	\$1,426.53	\$1,395.24
Employee + Child(ren)	3	\$1,512.15	\$1,350.00	\$1,328.03	\$1,298.73
Employee + Family	0	\$2,329.53	\$2,125.00	\$2,084.92	\$2,031.48
		GroupCare Copay 70/50 2500A	\$0 Backend Exposure PPO	\$1,000 Backend Exposure PPO	\$2,000 Backend Exposure PPO
Employee Only	34	\$710.09	\$750.00	\$739.02	\$724.37
Employee + Spouse	4	\$1,420.18	\$1,450.00	\$1,426.53	\$1,395.24
Employee + Child(ren)	4	\$1,313.67	\$1,350.00	\$1,328.03	\$1,298.73
Employee + Family	2	\$2,023.76	\$2,125.00	\$2,084.92	\$2,031.48
Annual Total	85	\$926,100	\$907,200	\$893,326	\$874,827
\$ Variance from Current			-\$18,900	-\$32,774	-\$51,273
% Variance from Current			-2.04%	-3.54%	-5.54%
Broker Fee		\$10			
Alt Care Included		None			
Plan Summary Illustrative, please see Carrier SBC					

QUESTIONS?



GILSBAR